



Working Lands Alliance
A Project of American Farmland Trust

To: COMMERCE COMMITTEE

Date: Feb 26, 2009

TESTIMONY RE:

S. B. No. 969 AN ACT CONCERNING BROWNFIELDS FUNDING

H. B. No. 6504 AN ACT CONCERNING RECOMMENDATIONS OF THE FACE OF
CONNECTICUT STEERING COMMITTEE

Submitted by: Jiff Martin, Project Director, Working Lands Alliance

The following testimony is submitted on behalf of the Working Lands Alliance, a statewide coalition of over 600 individuals and 200 businesses and non-profits committed to increasing the state's commitment to farmland preservation.

HB 6504 - Face of Connecticut

WLA applauds the Commerce committee for its vision in introducing HB 6504. This bill proposes to fund the recently established Face of Connecticut Account with \$20 million in capital bonds to be used for investment gaps in historic preservation, brownfields development, small farm preservation, and other multi-purpose projects. WLA concurs there are major funding gaps in all of these areas and emphatically supports this proposal. In regards to small farms, the Department of Agriculture has a Farmland Preservation Program that has historically focused only on farms with 30 acres of cropland or higher. In 2008 new legislation was enacted to create a 'Community Farms Preservation Program' at the Dept. of Agriculture; agency staff are currently drafting criteria for such a program that would be able to focus on farms that do not meet the criteria of the existing program, including smaller farm parcels. However there is no funding for this program and it has been a top policy priority for WLA to look toward the Face of Connecticut Account to help address this funding gap. Once again, WLA is extremely grateful to the committee for introducing HB 6504.

SB 969 – Community Investment Act funding:

SB 969 proposes to change the distribution of funds in an account funded by the proceeds of a \$30 deed record filing fee (established in PA 05-228). This dedicated account was created in 2005 and represents landmark legislation that is nationally recognized for its creation of a modest but permanent revenue stream for affordable housing, agriculture, open space, and historic preservation. The portion of this fee which is remitted to the state is shared among four agencies: CHFA, DEP, DoAg, and CCT. At the time that this legislation was enacted, the real

estate market was fairly robust and the Office of Fiscal Analysis predicted the annual receipts to the state would be close to \$24 million. Since that time, however, receipts from the deed fee have steadily dropped. The most recent quarterly receipts were less than \$4 million, suggesting an annual level of only \$15 million. So this is not a very large revenue source, and its current distribution into four agencies for use in multiple programs is fairly constrained. In regards to farmland preservation, proceeds from the Community Investment Act keep the CT Farmland Preservation Program running efficiently, providing 3 full time staff and essential cash flow to handle non-capital expenditures such as surveys and appraisals.

WLA, one of a coalition of advocates that led the effort to create the Community Investment Act Account supports the intent of SB 969 to find new revenue sources for brownfields. WLA is also empathetic with brownfield supporters, having experienced similar frustrations over extremely unreliable state bonding commitments. However, WLA is opposed to the redirection of dwindling funding for state programs that help farmers and farmland preservation. Without an increase in the deed fee itself, a redistribution of these funds to five instead of four agencies (by adding DECD) can only harm the agriculture community, some of which is already under immense financial stress.

*Please note that WLA has worked for 3 years on the Face of Connecticut campaign that would, if successful, create a huge increase in funding for brownfields, while only seeking to maintain current levels for farmland preservation. We support efforts to balance funding for brownfields and greenfields, so-to-speak, but must oppose proposals that will take money away from farmland preservation. At current funding levels, Connecticut's investment in farmland preservation remains below neighboring states and has only begun to address the demand from farmland owners. Currently there are 53 farm applications under negotiation, with a large increase in matching federal funding anticipated annually due to the 2008 Farm Bill (we expect \$5 to \$8 million annually from 2009-2014). Now is the time for the state to make major investments in its landscapes, both brown and green, and WLA is happy to work with brownfield advocates to see all of these investments increase substantially.